

## Hobbies

# Slumping market dooms dealer accreditation program

By Roger Boye

**T**he stagnant rare-coin market has claimed another victim—a national program that accredits coin and bullion dealers.

Since 1988 the Industry Council for Tangible Assets has certified dealers who, among other things, agreed to submit customer complaints to binding arbitration. The program—known as CABDAP—was supposed to help to foster better understanding between consumers and coin

dealers.

“Coin prices are depressed, the industry is in a slump and the number of CABDAP dealers has declined,” said ICTA president Howard Segermark. Participation dropped from 120 dues-paying dealers in 1989 to 51 this year, forcing ICTA to terminate the program.

CABDAP was formed as a separately managed division of ICTA but failed to become self-supporting. Segermark added that some of ICTA’s 630 members now may enter a binding arbitra-

tion program with the American Arbitration Association.

Meanwhile, a committee of hobby pros calling for a coin industry “self-regulatory organization” has dissolved itself, in part because it could not raise enough money to continue its work.

The committee chair, California dealer Hugh Sconyers, had said that as much as \$400,000 would be needed to pay for, among other things, the legal and lobbying fees in getting an SRO approved by Congress. He predicted in January that raising so

much money would be difficult as dealers focused their energies on surviving in the market downturn.

Also, not all hobby leaders thought an SRO was needed to help weed out unethical coin dealers. Those persons argued that the coin business already is well regulated or that an SRO would not be worth the cost.

A footnote: Prices of rare coins in the investment-grade MS-65 category dropped 23.4 percent in the 12 months ended March 31, according to the Coin World “Trends Index.” Also, in late April gold sold for about \$354 an ounce, its lowest price in nearly a year.



Uncle Sam is offering pre-issue discounts this month on Korean War silver dollars, the nation’s second commemorative coin program of 1991.

Dollars in uncirculated condition ordered during May cost \$23, compared with a regular price of \$26, and proof specimens cost \$28, compared

with a \$31 regular price. The coins mark the end of the war in 1953, and \$7 from each sale will go for the construction of a Korean War memorial in Washington.

Some experts have said the dollar’s design is too cluttered. Mint officials had just six months to develop a design, produce dies and devise a marketing strategy.

To order Korean War silver dollars, call, toll-free, (1-800) 652-3838, or write to the United States Mint, Customer Service Center, 10001 Aerospace Drive, Lanham, Md. 20706. Allow several weeks for coin delivery.

By law, no more than one million dollars can be made, each containing .76 of an ounce of silver.

The government continues to sell three coin types honoring the 50th anniversary in 1991 of the Mount Rushmore National Memorial in South Dakota. Collectors have ordered more than one million Mount Rushmore coins out of an authorized maximum mintage of 5.5 million.